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July 2000

MEMORANDUM FOR: The 40 Committee

SUBJECT: Chile - Initial Post-Coup Support

I. SUMMARY

The Ambassador and the Santiago Station have requested that the 40 Committee authorize [REDACTED] to help underwrite the purchase of a [REDACTED]

[REDACTED] to cover the travel costs of [REDACTED] members of the Christian Democratic Party (PDC), who plan to tour Latin American and European countries to explain the PDC's decision to support the new Chilean Government. With the Ambassador's approval, the Station promised this support [REDACTED]

[REDACTED] on the assumption that the 40 Committee's 20 August 1973 approval of funds for [REDACTED] and the [REDACTED] was still valid. It has now been determined that changed conditions in Chile in the wake of the 11 September 1973 military coup have invalidated the 20 August approval, and the Station is now working with the Ambassador to draft a new proposal for 40 Committee consideration. In the meantime, however, authority is needed to honor these [REDACTED] commitments. [REDACTED]

II. PROPOSAL

It is proposed that this Agency be authorized to provide [REDACTED] as follows: [REDACTED]

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III. RISKS

The risks involved in the foregoing proposal are minimal. Details of the proposed funding are included in the Attachment to this memorandum.

IV. COORDINATION

This proposal has the concurrence of the Ambassador.

V. COST

The cost of this proposal is [REDACTED], which is available from the Agency's budget for FY 1974.

VI. RECOMMENDATION

It is recommended that the 40 Committee authorize the expenditure of [REDACTED] as specified in Paragraph II above.

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[REDACTED]

The PDC is the largest single party in Chile, but since the coup it has found itself in somewhat of a quandary. It did support the military Junta's takeover, but is finding itself increasingly embarrassed by the Junta's growing rightist reputation as well as international reaction against the coup itself. At the moment, the PDC is greatly concerned with the damage its image is incurring in Christian Democratic circles in both Latin America and Europe. Thus, the party arrived at a plan for sending a "truth squad" to a number of Latin American and European capitals to explain the background of the Chilean military coup and the PDC's association with, and support of, the Junta in this situation. Unfortunately, the PDC has not had the time to recover from the financial drouth of the Allende period; and, therefore,

[REDACTED]

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[REDACTED]

[REDACTED]

Ambassador Davis has strongly recommended that funds requested for [REDACTED] be authorized.

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